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SIPDIS

TREASURY FOR MEYER AND WINN

EO 12958 DECL: 5/6/2014

TAGS ECON, EINV, UK

SUBJECT: RBS EXECUTIVES SAY "MEA CULPA" - AND SHARE PLANS

TO RESTORE BANK'S STANDING

Classified By: Acting Deputy Chief of Mission Mark Tokola for reasons 1 .4 b and d.

11. (C) Summary. Apologizing for the bank's past excesses, senior Royal Bank of Scotland executives acknowledged that ambition drove the compar
12. (C) RBS is acknowledging and apologizing for its mistakes, said Senior Economic Advisor, Stephen Boyle. Sir Tom McKillop, chairman, and Sir
13. (C) The lesson learned is that RBS must concentrate on its core businesses to recover strength and repay the British taxpayer. The bank, Bc
14. (C) Another key component in re-structuring is cost reductions, with a goal of savings of GBP 2.5 billion by 2011, said Boyle. This will be
15. (C) Much of the success of RBS' restructuring will depend on overall economic conditions, argued Peter Nathaniel, senior risk analyst. Sell
16. (C) Speculating about the future of banking, Nathaniel predicted that de facto, there will be a return to narrow banking practices. The nun

Comment:

17. (C) Meetings were held in RBS' Headquarters in Gogarburn, a 350,000 square foot building on a 78-acre site, which opened in late 2005. The
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TOKOLA